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Letter dated 20 June 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

The Counter-Terrorism Committee has received the attached report from Kiribati submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I should be grateful if you could arrange for this letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Counter-Terrorism Committee

02-45100 (E) 160702

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Annex

Letter dated 20 June 2002 from the Secretary for Foreign Affairs of the Republic of Kiribati addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

I have the honour to forward the report from Kiribati on progress in the implementation of Security Council resolution 1373 (2001) (see enclosure).

It is with deepest regret that the report is submitted late, but this is inevitable given the acute shortage of staff within this Ministry and in other government ministries with which we worked in the preparation of the report.

(*Signed*) Reteta **Rimon-Nikuata**
Permanent Secretary for Foreign Affairs

Enclosure

Implementation of Security Council resolution 1373 (2001) by the Government of Kiribati

Introduction

As a peace-loving country, Kiribati condemns all forms of terrorism and joins the global community in condemning the terrorist attacks on the United States, on September 11, 2001.

In light of the relative peace and stability of our society over the years, there has never been any legislation in Kiribati to combat terrorism nor to impose penalties on persons committing terrorist crimes.

The Criminal Law in Kiribati is codified in the Penal Code. There is nowhere in the Penal Code that defines terrorism or provides for penalties for such activities.

However, following September 11 attacks, and as a member of the United Nations, Kiribati is fully supportive of UNSC Resolution 1373, (2001), and is committed to taking the necessary steps to comply with the said resolution and other relevant resolutions pertaining to the suppression and prevention of all forms of terrorism, in accordance with our responsibilities under the Charter of the United Nations.

Since there is no Law in the area relating to terrorism, the Kiribati Government considers it important that relevant legislations are put in place as early as possible, to deal with terrorist related crimes when they do occur in Kiribati. However, given the limited resources and technical capability in this area, Government regrets its slow progress in implementing Resolution 1373, and will continue to need the assistance and support of Governments and agencies in meeting all its obligations outlined in the Resolution.

Progress made thus far

In spite of the absence of a terrorism Law or appropriate legislations in Kiribati at this stage, Government co-operates with foreign governments and administrations in providing names and information relating to individuals and groups associated with terrorism and criminal activities as required under FATF recommendation. The Government of Kiribati also works in close co-operation with local authorities and commercial entities, particularly the Bank of Kiribati, in providing them names and details of terrorists and terrorist groups, as received from the US Government and other external agencies, bodies, and monitors not only the possible entry into Kiribati of such persons or groups, but also the existence of criminal activities, if any. The Kiribati Government assures that it will report promptly to the concerned governments and the UN, any terrorist-related activity that may be detected in the country.

Kiribati is not yet party to all the relevant international conventions and protocols relating to terrorism, not because it does not support the noble objectives of these conventions and protocols, but simply, because of resource and technical capacity constraints. Government is, however, currently working on this, and hopes to accomplish the necessary procedures in order to become a party to some, if not, all of these important conventions, in the very near future.

Banking Legislation

There is no banking legislation that regulates and monitors the operation of the banking sector, which, at present, comprises a single commercial bank. The regulatory role, is executed by the Ministry of Finance and Economic Planning, through an operational agreement implemented by the Bank.

The Bank of Kiribati is the only commercial bank in the country, operating on a joint venture basis between Australia, New Zealand Banking Group Ltd (ANZ) and the Kiribati Government. It complies with the obligations under the USA Patriot Act, vis-à-vis prohibition on correspondent accounts of foreign shell banks, and the new requirements for anti-money laundering programmes, namely, know your customer, and detect and report "suspicious activity". As regards detecting suspicious activities, the Bank of Kiribati pays particular attention to complex, large or unusual transactions and these are reviewed as and when they are detected.
The Bank of Kiribati reports suspicious transactions to a designated officer for appropriate action such as further monitoring or investigation of the account, to determine the legitimacy of the account, and if not legitimate, to decide whether the account should be closed. The Bank of Kiribati has designated a staff to monitor the compliance with this policy, and to be responsible for ensuring adequate, independent testing and record retention.

All staff of the Bank of Kiribati undergo relevant training to enable them to have a thorough understanding of money laundering and how it could be prevented through application of relevant laws, policies and Bank of Kiribati/ANZ procedures.

The following are other means of combating terrorism in Kiribati in compliance with requirements under the UNSCR 1373.

i) Combined Law Agency Group (CLAG)

This agency was established in 2001, with the objective of facilitating the sharing of information and resources between government agencies in the region, to combat breaches of legislation in Kiribati. It does this by providing for timely exchange of information, facilitating opportunities for the sharing of resources, enhancing communication and coordination of efforts, developing joint targeting strategies, and profiling suspects.

ii) The Special Branch of the Kiribati Police Force

The Special Branch of the Police Force collects information, which could be useful in detecting people with criminal connections. Those suspicious cases are reported to higher authorities for possible counter actions if necessary. This Special Branch also boards ships and aircraft on first arrival and checks if there are crew and passengers on board, who may be wanted as criminals and terrorists by other countries.

The names of wanted criminals and members of known terrorist groups are provided by authorities of foreign countries and the Kiribati Police assists in finding out if these people are in the country, and if so, concerned governments abroad are notified accordingly. The Kiribati Immigration Office of the Ministry of Foreign Affairs also keeps a record of such names with the objective of refusing them entry visas to Kiribati, in the event such persons may wish to travel to or through Kiribati.

iii) Extradition

There is an Extradition Ordinance in Kiribati, but it is a requirement of this ordinance to have an agreement duly signed between Kiribati and foreign countries in order for extradition to be effected. Currently, Kiribati cannot extradite terrorists or criminals, as it does not have at present, an agreement with foreign countries to allow extradition to be carried out interchangeably between them. This, however, could be put in place, if pursued with governments.

iv) Other Avenues

Terrorism is also a major topic on the agenda of a number of meetings, which Kiribati participates in. Some of these include, the Pacific Police Commissioners Conference, Oceania Customs Organisation, Pacific Immigration Directors Meeting and Regional Heads of Prisons Meeting. These fora provide an important avenue for sharing of information, which could be useful in combating terrorism.

v) Financial Intelligence Units

There is no regulatory body such as the FIU in Kiribati, at present. Since the objective of this body is to curb financial crimes and deter money laundering through sharing of financial information in the region, its establishment in Kiribati is likely to receive favourable consideration. As such, IMF technical assistance to provide the necessary assistance in establishing an FIU in Kiribati is supported.

Kiribati recognises the importance of complying with all requirements stipulated under UN Resolution 1373, to combat terrorism, and regrets the slow progress it is making in this regard, given severe constraints in needed resources and technical capacity at hand.

We are indeed appreciative and supportive of the initiative by the IMF and other bilateral and multilateral partners to provide Technical Assistance in the drafting of anti-money

laundering, terrorism combating and banking regulation legislations, and in the establishment of a domestic Financial Intelligence Unit.

Conclusion

Kiribati understands the great importance of UNSC 1373 for the promotion of global security against all forms of terrorism, and recognises that a lot more needs to be done in this regard.

The Kiribati Government is committed to take the necessary measures towards implementing all its obligations under UNSC Resolution 1373, and given our human resource and technical capacity limitations, we shall welcome the kind support and assistance of the international community in achieving this, in particular, in the drafting of relevant laws and legislations that will address all aspects of terrorism.